

FINAL ENVIRONMENTAL ASSESSMENT
ECONOMIC DEVELOPMENT LOAN TO PLASTIC CONTAINER CORPORATION
BROWNSVILLE, HAYWOOD COUNTY, TENNESSEE

TENNESSEE VALLEY AUTHORITY

JUNE 2004

The Proposed Decision and Need

The Tennessee Valley Authority (TVA) proposes to lend \$500,000 in Economic Development Loan Fund (EDLF) funds to Plastic Container Corporation in Brownsville, Haywood County, Tennessee for the purchase of equipment. The company extrudes HDPE or PVC plastic bottles at its recently-opened facility located in a leased previously-existing building at 540 Lasco Street,. Presently the facility operates two lines, and TVA would be partly financing the third bottle-making machine, valued at \$629,000, which would bring a third line in operation and complete the facility's startup. The total investment for the three-line facility is estimated at \$5,440,000 with Plastic Container providing \$200,000 for leasehold improvements, G-E Capital providing \$840,000 for equipment, and Central Illinois Bank providing \$3,900,000 for working capital and equipment. The total federal involvement is about 9 percent.

With all three lines operating, the company is estimated to generate 50 new jobs, thus improving the economy of the county. The facility is also estimated to use 4,800,000 kWh of electricity per year.

Background

Purchase of equipment can be a categorical exclusion under Sections 3.2.1 of the Final Generic Environmental Assessment of Selected Economic Development Activities, but the equipment being purchased would be central to plant operations in this case, so the categorical exclusion does not apply. However, the proposed action involves very few issues and little or no public controversy over environmental impacts. Therefore, this abbreviated EA has been prepared. Because TVA's action would be central to the third line of the extrusion process, this review assesses the potential environmental effects of the third line.

Alternatives and Comparison

There are two feasible alternatives, i.e., the Action Alternative and the No Action Alternative. Under the Action Alternative, TVA would lend the funds as described above. Under the No Action Alternative, TVA would not make these funds available. In this event, Plastic Container could seek alternative funding. If Plastic Container were successful in securing funding, production with the third line would commence at the Brownsville location. Thus, overall environmental consequences under either alternative would be similar. In either case, potential environmental effects would be minor and insignificant. It

is also possible that if TVA chooses the No Action Alternative, Plastic Container could decide not to add a third line. This would result in no effects on the natural environment from the third line, but there would also be no social and economic benefits from the increased production. However, it is possible that another bottle extrusion firm could meet the demand. In this case the impacts from that operation would probably be similar to those of the proposed operation.

Affected Environment and Evaluation of Impacts

As noted in the attached Categorical Exclusion Checklist (CEC 6768), the third line would operate in an existing building and have no potential to affect natural or cultural features. Haywood County is currently designated as in attainment with the federal standards for all criteria air pollutants.

CEC 6768 documents TVA staff review of the expected impacts of the action. As noted in the CEC, all potential media impacts would be insignificant at most, and none require further evaluation.

Cumulative Impacts

Due to the small size of the proposed action and lack of potential significant impact on the environment, TVA expects that the incremental effect of this project, when added to other past, present and reasonably foreseeable future actions, would have insignificant cumulative impacts.

Mitigation Measures

There would be only insignificant environmental effects; thus, no mitigation measures are needed.

Preferred Alternative

The alternative preferred by TVA is the Action Alternative.

TVA Preparers

This environmental assessment was prepared by Peter K. Scheffler, Senior NEPA Specialist, and Bill L. Zotto, Project Control Specialist.

Attachments

Categorical Exclusion Checklist (CEC) 6768, project description, location maps, aerial photograph, Flood Insurance Rate Map, elevation information, and equipment photographs

Categorical Exclusion Checklist for Proposed TVA Actions

Categorical Exclusion Number Claimed	Organization ID Number Cats ID # 8235	Tracking Number <i>(NEPA Administration Use Only)</i> 6768
Form Preparer Bill L. Zotto	Project Initiator/Manager David H Parham	Business Unit Economic Development
Project Title Plastic Container Corporation		Hydrologic Unit Code
Description of Proposed Action <i>(Include Anticipated Dates of Implementation)</i> <input checked="" type="checkbox"/> Continued on Page 3 <i>(if more than one line)</i> For Proposed Action See Attachments and References		
Initiating TVA Facility or Office	TVA Business Units Involved in Project Economic Development	
Location <i>(City, County, State)</i> Haywood, TN, The existing building is located at 540 Lasco Street, Brownsville, Haywood County, Tennessee (see attached maps).		

Parts 1 through 4 verify that there are no extraordinary circumstances associated with this action:

Part 1. Project Characteristics

Is there evidence that the proposed action---	No	Yes	Information Source
1. Is major in scope?	X		Zotto B. L. 04/15/2004
2. Is part of a larger project proposal involving other TVA actions or other federal agencies?	X		Zotto B. L. 04/15/2004
*3. Involves non-routine mitigation to avoid adverse impacts?	X		Zotto B. L. 04/15/2004
4. Is opposed by another federal, state, or local government agency?	X		Zotto B. L. 04/15/2004
*5. Has environmental effects which are controversial?	X		Zotto B. L. 04/15/2004
*6. Is one of many actions that will affect the same resources?	X		Zotto B. L. 04/15/2004
7. Involves more than minor amount of land?	X		Zotto B. L. 04/15/2004

* If "yes" is marked for any of the above boxes, consult with NEPA Administration on the suitability of this project for a categorical exclusion.

Part 2. Natural and Cultural Features Affected

Would the proposed action---	No	Yes	Permit	Commitment	Information Source for Insignificance
1. Potentially affect endangered, threatened, or special status species?	X		No	No	Zotto B. L. 04/15/2004
2. Potentially affect historic structures, historic sites, Native American religious or cultural properties, or archaeological sites?	X		No	No	Zotto B. L. 04/15/2004
3. Potentially take prime or unique farmland out of production?	X		No	No	Zotto B. L. 04/15/2004
4. Potentially affect Wild and Scenic Rivers or their tributaries?	X		No	No	Zotto B. L. 04/15/2004
5. Potentially affect a stream on the Nationwide Rivers Inventory?	X		No	No	Zotto B. L. 04/15/2004
6. Potentially affect wetlands, water flow, or stream channels?	X		No	No	Zotto B. L. 04/15/2004
7. Potentially affect the 100-year floodplain?	X		No	No	For comments see attachments
8. Potentially affect ecologically critical areas, federal, state, or local park lands, national or state forests, wilderness areas, scenic areas, wildlife management areas, recreational areas, greenways, or trails?	X		No	No	Zotto B. L. 04/15/2004
9. Contribute to the spread of exotic or invasive species?	X		No	No	Zotto B. L. 04/15/2004
10. Potentially affect migratory bird populations?	X		No	No	Zotto B. L. 04/15/2004
11. Involve water withdrawal of a magnitude that may affect aquatic life or involve interbasin transfer of water?	X		No	No	Zotto B. L. 04/15/2004
12. Potentially affect surface water?	X		No	No	Zotto B. L. 04/15/2004
13. Potentially affect drinking water supply?	X		No	No	Zotto B. L. 04/15/2004
14. Potentially affect groundwater?	X		No	No	Zotto B. L. 04/15/2004
15. Potentially affect unique or important terrestrial habitat?	X		No	No	Zotto B. L. 04/15/2004
16. Potentially affect unique or important aquatic habitat?	X		No	No	Zotto B. L. 04/15/2004

Part 3. Potential Pollutant Generation

Would the proposed action potentially (including accidental or unplanned)---	No	Yes	Permit	Commitment	Information Source for Insignificance
1. Release air pollutants?		X	No	No	For comments see attachments
2. Generate water pollutants?	X		No	No	Zotto B. L. 04/15/2004
3. Generate wastewater streams?	X		No	No	Zotto B. L. 04/15/2004
4. Cause soil erosion?	X		No	No	Zotto B. L. 04/15/2004
5. Discharge dredged or fill materials?	X		No	No	Zotto B. L. 04/15/2004
6. Generate large amounts of solid waste or waste not ordinarily generated?	X		No	No	Zotto B. L. 04/15/2004
7. Generate or release hazardous waste (RCRA)?	X		No	No	Zotto B. L. 04/15/2004
8. Generate or release universal or special waste, or used oil?	X		No	No	Zotto B. L. 04/15/2004
9. Generate or release toxic substances (CERCLA, TSCA)?	X		No	No	Zotto B. L. 04/15/2004
10. Involve materials such as PCBs, solvents, asbestos, sandblasting material, mercury, lead, or paints?	X		No	No	Zotto B. L. 04/15/2004
11. Involve disturbance of pre-existing contamination?	X		No	No	Zotto B. L. 04/15/2004
12. Generate noise levels with off-site impacts?	X		No	No	Zotto B. L. 04/15/2004
13. Generate odor with off-site impacts?	X		No	No	Zotto B. L. 04/15/2004
14. Produce light which causes disturbance?	X		No	No	Zotto B. L. 04/15/2004
15. Release of radioactive materials?	X		No	No	Zotto B. L. 04/15/2004
16. Involve underground or above-ground storage tanks or bulk storage?	X		No	No	Zotto B. L. 04/15/2004
17. Involve materials that require special handling?	X		No	No	Zotto B. L. 04/15/2004

Part 4. Social and Economic Effects

Would the proposed action---	No	Yes	Commitment	Information Source for Insignificance
1. Potentially cause public health effects?	X		No	Zotto B. L. 04/15/2004
2. Increase the potential for accidents affecting the public?	X		No	Zotto B. L. 04/15/2004
3. Cause the displacement or relocation of businesses, residences, cemeteries, or farms?	X		No	Zotto B. L. 04/15/2004
4. Contrast with existing land use, or potentially affect resources described as unique or significant in a federal, state, or local plan?	X		No	Zotto B. L. 04/15/2004
5. Disproportionately affect minority or low-income populations?	X		No	Zotto B. L. 04/15/2004
6. Involve genetically engineered organisms or materials?	X		No	Zotto B. L. 04/15/2004
7. Produce visual contrast or visual discord?	X		No	Zotto B. L. 04/15/2004
8. Potentially interfere with recreational or educational uses?	X		No	Zotto B. L. 04/15/2004
9. Potentially interfere with river or other navigation?	X		No	Zotto B. L. 04/15/2004
10. Potentially generate highway or railroad traffic problems?	X		No	Zotto B. L. 04/15/2004

Part 5. Other Environmental Compliance/Reporting Issues

Would the proposed action---	No	Yes	Commitment	Information Source for Insignificance
1. Release or otherwise use substances on the Toxic Release Inventory list?	X		No	Zotto B. L. 04/15/2004
2. Involve a structure taller than 200 feet above ground level?	X		No	Zotto B. L. 04/15/2004
3. Involve site-specific chemical traffic control?	X		No	Zotto B. L. 04/15/2004
4. Require a site-specific emergency notification process?	X		No	Zotto B. L. 04/15/2004
5. Cause a modification to equipment with an environmental permit?	X		No	Zotto B. L. 04/15/2004
6. Potentially impact operation of the river system or require special water elevations or flow conditions??	X		No	Zotto B. L. 04/15/2004

Parts 1 through 4: If "yes" is checked, describe in the discussion section following this form why the effect is insignificant. Attach any conditions or commitments which will ensure insignificant impacts. Use of non-routine commitments to avoid significance is an indication that consultation with NEPA Administration is needed.

An ☒ EA or ☐ EIS will be prepared.

Based upon my review of environmental impacts, the discussions attached, and/or consultations with NEPA Administration, I have determined that the above action does not have a significant impact on the quality of the human environment and that no extraordinary circumstances exist. Therefore, this proposal qualifies for a categorical exclusion under Section 5.2._____ of TVA NEPA Procedures.

Project Initiator/Manager David H Parham		Date 06/24/2004
TVA Organization UNKN	E-mail dhparham@tva.gov	Telephone

Site Environmental Compliance Reviewer

Final Review/Closure

<hr/> <i>Signature</i>	<hr/> <i>Signature</i>
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Bill L. Zotto

06/28/2004

Other Review Signatures (as required by your organization)

<hr/> <i>Signature</i>	<hr/> <i>Signature</i>
<hr/> <i>Signature</i>	<hr/> <i>Signature</i>
<hr/> <i>Signature</i>	<hr/> <i>Signature</i>

Attachments/References

Description of Proposed Action

The Tennessee Valley Authority (TVA) proposes to lend \$500,000 in Economic Development Loan Fund (EDLF) funds to Plastic Container Corporation in Brownsville, Haywood County, Tennessee for the purchase of equipment. The total cost of the project is estimated at \$5,440,000 with Plastic Container providing \$200,000 for leasehold improvements, G-E Capital providing \$840,000 for equipment, and Central Illinois Bank providing \$3,900,000 for working capital and equipment. The total federal involvement is about 9%.

CEC General Comment Listing

- Detailed description and scope.

By: Bill L. Zotto 04/15/2004

Files: Plastic Container Project Description and Scope Final[2].doc 06/08/2004 29,184 Bytes

CEC General Comment Listing

2. Location map.
By: Bill L. Zotto 04/15/2004
Files: maps.pdf 04/15/2004 206,660 Bytes
3. Flood map.
By: Bill L. Zotto 04/15/2004
Files: floodplain.pdf 04/29/2004 541,116 Bytes
4. Aerial map.
By: Bill L. Zotto 04/15/2004
Files: aerial.pdf 04/29/2004 488,209 Bytes
5. Equipment photos
By: Bill L. Zotto 04/29/2004
Files: Equipment.ppt 04/29/2004 1,472,512 Bytes

CEC Comment Listing

Part 2 Comments

7. The 100-year flood elevation at the site is about 338' and the floor level of the building is 342.4'. This information shows that the floor of the building is more than 1 foot above the 100-year flood elevation and therefore any new equipment would also be at or above the 100-year flood elevation. Comments by Roger Milstead. See attachments.
By: Bill L. Zotto 05/25/2004
Files: floodplain.pdf 04/29/2004 541,116 Bytes
Elevation.pdf 05/06/2004 222,063 Bytes

Part 3 Comments

1. Only a minimal and insignificant impact on air quality according to review comments of Berry L. Barnard,(MSH). 5-19-2004.
By: Bill L. Zotto 05/20/2004

Plastic Container Corporation EDLF Loan Project Description and Scope Cats ID # 8235

The Tennessee Valley Authority (TVA) proposes to lend \$500,000 in Economic Development Loan Fund (EDLF) funds to Plastic Container Corporation in Brownsville, Haywood County, Tennessee for the purchase of equipment. The company manufactures plastic bottles at its recently-opened facility located in a leased previously-existing building at 540 Lasco Street, (See the attached maps.) Presently the company operates two lines, and TVA would be partly financing the third bottle-making machine, valued at \$629,000, which would bring a third line in operation and complete the company's startup. The total investment for the three-line facility is estimated at \$5,440,000 with Plastic Container providing \$200,000 for leasehold improvements, G-E Capital providing \$840,000 for equipment, and Central Illinois Bank providing \$3,900,000 for working capital and equipment. The total federal involvement is about 9%.

With all three lines operating, the company is estimated to generate 50 new jobs and use 4,800,000 kWh of electricity per year.

Plastic Container manufactures plastic bottles using an extrusion blow molding process. The company purchases HDPE or PVC plastic pellets from suppliers such as Exxon, Georgia Gulf, etc. The pellets are melted down and extruded into the form of finished bottles. The amount of HDPE or PVC anticipated to be processed with all three lines is approximately 42,000 pounds per week. Any scrap and rejects are ground, re-melted, and reintroduced into the extrusion blow molding process. Hydrogen chloride gas is emitted in small enough quantities that the company is not required to get an emissions permit. The process does not generate any industrial wastewater or hazardous wastes. Water used for cleaning plastic out of the machinery is recirculated in a closed system. The facility produces minor solid waste which is placed in a dumpster, emptied twice a week, and taken to a landfill.

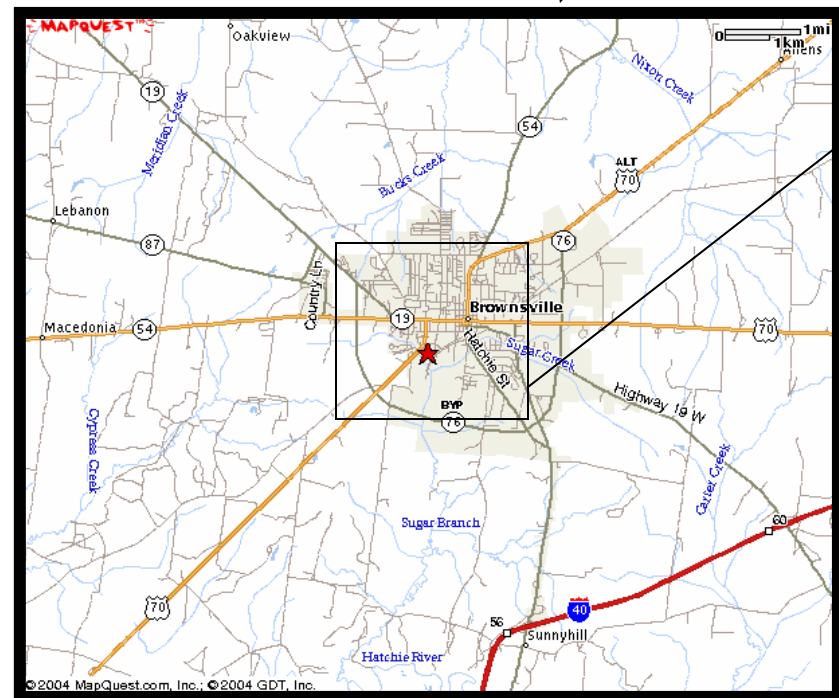
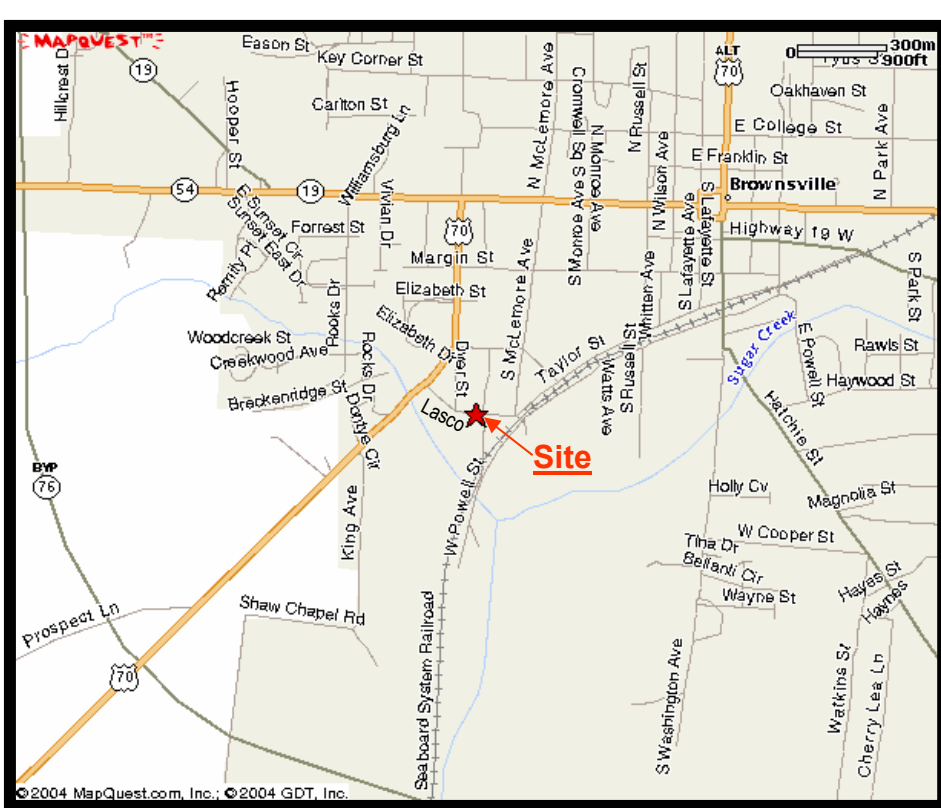
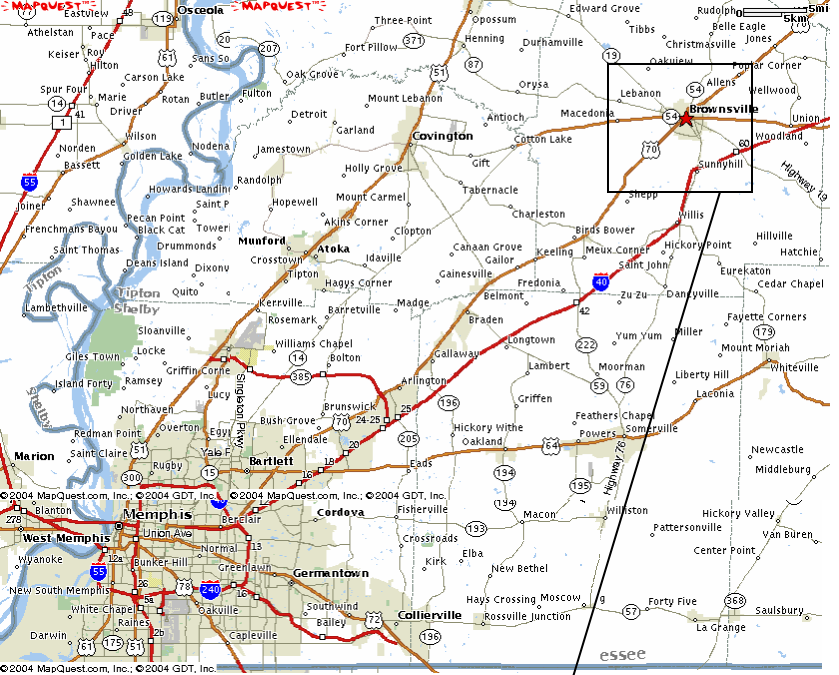
With all three lines operating, Plastic Container Corp. expects one semi sized inbound truck per week and two semi sized outbound trucks per week.

A portion of the property in the parking/storage area appears to be in the 100 year floodplain, as shown in the attached Flood Insurance Rate Map. However, the 100-year flood elevation at the site is about 338 and the floor level of the building is 342.4. This information shows that the floor of the building is more than 1 foot above the 100-year flood elevation and therefore any new equipment would also be at or above the 100-year flood elevation.

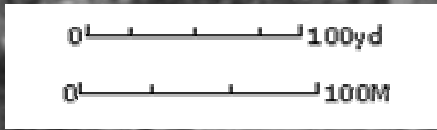
This project involves financial assistance for purchase of equipment central to operations for an existing facility with little or no impact to natural or cultural

resources. This is the type of activity described in section 3.2.1 of the Final Generic Environmental Assessment of Selected Economic Development Activities except that some of the equipment in the scope is central to operations. Accordingly, an abbreviated Environmental Assessment is required.

The company's business plan goal is to expand further to 15 lines in five years with 100 employees. However, TVA's proposed action is not essential for the possible future expansion, which would depend on other factors such as market demand and additional investments in equipment. At this time TVA is not proposing to participate in the future expansion. Therefore for purposes of this environmental review TVA considers the expansion to be speculative and not reasonably foreseeable, and the possible impacts of the expansion are not being assessed.

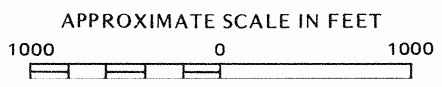
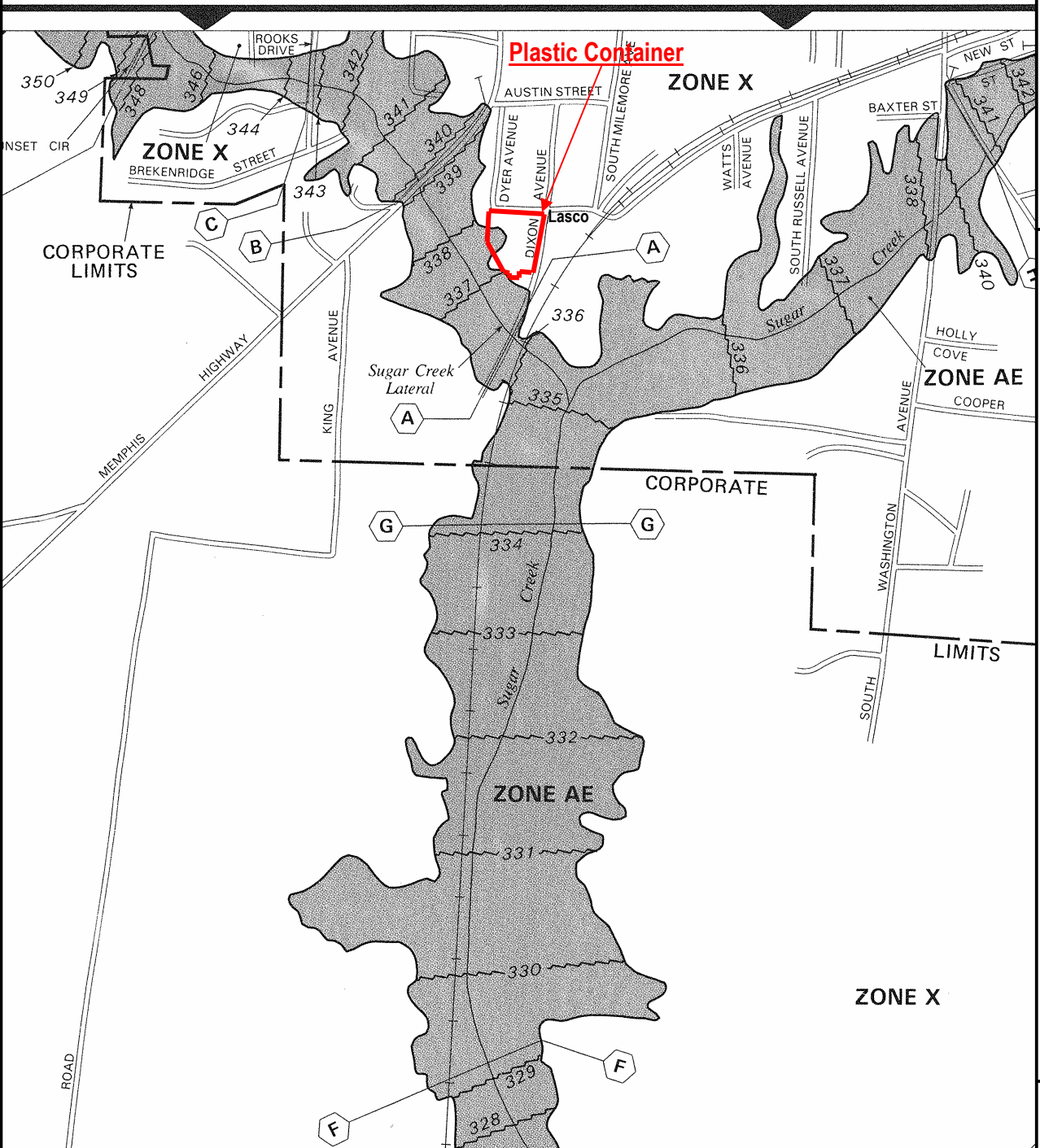


Plastic Container Corporation
540 Lasco Street
Brownsville, Haywood County, Tennessee



Aerial Photograph - 1998



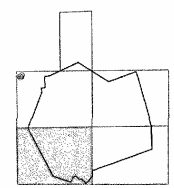


NATIONAL FLOOD INSURANCE PROGRAM

**FIRM
FLOOD INSURANCE RATE MAP**

CITY OF
BROWNSVILLE,
TENNESSEE
HAYWOOD COUNTY

PANEL 20 OF 25
(SEE MAP INDEX FOR PANELS NOT PRINTED)



PANEL LOCATION

COMMUNITY-PANEL NUMBER

470087 0020 C

EFFECTIVE DATE:

MARCH 4, 1988



Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

Zotto, Bill L.

From: Campbell, Alan B.
Sent: Friday, April 30, 2004 11:21 AM
To: Zotto, Bill L.
Subject: Plastic Container-Finished Floor

Bill,

I requested a finished floor elevation for the Plastic Container building from Regie Castellaw, Assistant Manager of Brownsville Utility Dept. He and his staff were able to determine with a high degree of certainty that the elevation is: 342.43'. They did not provide me with anything in writing and I hate to burden them with such. Regie can be reached at 731-772-8845 if you need additional explanation. My recommendation is to go with this.

Thanks,,,,,

Al

05/05/2004

